GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2979
ANSWERED ON:13.12.2005
VIOLATIONS OF EXPORT RULES
Jha Shri Raghunath

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether penalty of Rs. 577.22 crore imposed upto March 2004 in 983 cases for non-fulfilment of export obligations under advance licenses issued between April 1973 to January 2002 but only Rs. 1.44 crore were realised in 60 cases;

(b) if so, the reasons for not recovering the entire amount; and

(c) the action taken by the Government against the officials responsible?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN

(a) Yes Sir

(b) The penalty amount shown in these cases have been determined at adjudication stage, which is substantially reduced in many cases and in some cases completely waived subsequently at the level of appellate decisions. Hence the penalty fixed at the adjudication stage is not final. Many firms approach Judicial Forum, in which no time limit can be fixed for finalisation of the cases. Finally the recovery is entrusted to district authorities for initiating proceedings as arrears of land revenue. However, through monitoring and follow-up procedure being adhered to by DGFT, efforts are being made to expedite the completion of pending penalty recoveries.

(c) Does not arise, since no officials have been found responsible for delay in recovery proceedings.